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Record of Congressional Telephone Conversation - Region 5

SUBJECT: WAUKEGAN HARBOR CAPPING ID #: 230
CONGRESSIONAL: DATE: 10/17/2007
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OFFICE: REP. KIRK	
STATE: IL	ACTION FLAG: N

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CONTACTS: SCOTT CIENOWSKI 3-9184 DATE RESPONDED: 10/31/2007

SUMMARY:

I received a call and the following email from Eric.

Mary-

Two articles from today's News Sun. If you could let me know what the status is and if EPA is working with the City on a capping project.

Thank you.

Eric

News Sun: City blasts EPA over harbor cleanup

WAUKEGAN -- In the face of withering criticism and questions regarding its allegiance to a long-term redevelopment plan in which the harbor exclusively accommodates residential and recreational uses, the current City Council remains steadfast.

"We're prepared to take the heat because we believe Waukegan's future will include the residential and marina-related services around the harbor," 8th Ward Ald. Richard Larsen said.

Larsen criticized the Environmental Protection Agency Monday for pressuring the city to terminate a \$35 million grant agreement because the city wants to remove current industry from the harbor.

Given that the EPA is indicating an alternative to dredging by capping the harbor floor and reducing the draft to ban big ships, giving up the funding from a Great Lakes Legacy Act grant is not in the best interest of city taxpayers at this time, the council concluded.

"We're not going to let the EPA dictate how this council's going to be in the future," 3rd Ward Ald. Greg Moisio said. "That's not right. The EPA has its place, but its place is not to come in here, just because they're the 800-pound gorilla, to come in here and tell us how we're going to do our business."

Transforming an historically industrial harbor into a marina used exclusively for residential and recreational uses is both practical and beneficial to taxpayers, Larsen said, citing that in only two years, Kenosha's marina development is generating \$2 million annually and will generate \$2.5 million when it completes its buildout.

Annual tax revenues from National Gypsum and the concrete plants generate \$150,000 to the city in taxes, Larsen said, which is less than the amount generated by an average block of residential housing in the city.

"I understand they provide jobs," he said, "including a few to Waukegan residents. But there is no question

that many more jobs, many high-paying union jobs, will be generated in years to come when our lakefront development gets moving."

Waukegan's city officials considered all these factors in putting together the master plan for redeveloping its lakefront, *council members insisted*, and *city government serves its local residents better than any other level of government*, Moisio said.

"You can call us," he said. "You can complain to us. You can talk to us. Try calling the EPA and complaining to them when something hasn't worked out."

News Sun: EPA leaning toward cap for polluted harbor

WAUKEGAN -- Waukegan Mayor Richard Hyde informed the City Council Monday that the EPA is suggesting capping the polluted harbor floor instead of dredging it.

"Now they're requesting to put a cap on it," Hyde said of the latest communication received from the EPA. "If you put a cap on it, that would not allow any ships coming in with a big propeller to stir up the bottom. Now this is the EPA talking. This isn't the city of Waukegan."

"Clearly, the federal EPA has...determined that their plan to dredge the Waukegan harbor to remove PCBs would not work," 8th Ward Ald. Richard Larsen said.

"Yet their office...supported by some of our elected officials who are supposed to care about Waukegan taxpayers, worked very hard to force this council to approve a plan that would have cost Waukegan taxpayers in excess of \$12 million, a plan that they apparently knew would not work."

Citing a major environmental cleanup at the Yeoman Creek landfill, which cost the city significantly more than the original amount estimated by the EPA, Larson said the local share can increase dramatically, and local bodies have no say on how projects are done.

"They clearly and forcibly, in my opinion, tried to box us into a corner to approve their harbor cleanup plan. Thank God we resisted," Larsen said. "It borders on being a criminal act in my opinion what the EPA tried to do. I think our federal officials should look into the matter."

Presented Monday with a recommendation by the EPA to terminate an agreement to receive more than \$30 million in federal grant for the dredging project, the council instead delayed terminating the agreement and called on the Lake County Board and state of Illinois to remain partners in the city's lakefront redevelopment.

The county has pledged \$2.5 million, while the state has offered \$4 million to subsidize the harbor dredging project.

Eric Elk

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RESPONSE:

10/17: I received the following email from Eric.

Mary-

Can we set up a call with Congressman Kirk and Regional Administrator Gade?

I sent him this reply:

Eric,

My understanding is that Kim from your office has made contact with Mary Gade's assistant, Julie Spellman, to work on setting up a call.

Julie told me that a call is set up for next Monday (10/22).

10/18: I spoke with Eric and told him that we have no idea where they got this information. I told him that the RPM for the Waukegan Harbor SF site, Kevin Adler, was up there for 2 days, but reported that he didn't know where the Mayor got the idea that we want to cap the Harbor.

10/18: Eric sent this email:

An alderman from Waukegan just informed me that EPA gave the city's lawyer a memo that outlines the dredging plan would not have worked. Can you find out who would have given the city a memo like this?

Eric

I told Eric that I will check this out. He said that he is trying to get a copy of the memo. I told him I will not be in the office tomorrow and asked that he send a copy of this "memo" to Gary Gulezian.

10/22: I left a message for Eric as he is out of the office. I said that our GL and SF programs have discussed this and are not aware of any such memo.

10/23: I spoke with Eric and he said that he hasn't seen the memo and is still trying to get a copy. The call between Mary Gade and the Congressman is set for 10/25/07 at 3 p.m.

10/25: The call took place and Mary G. explained that as a result of the Superfund 5 year review of the Waukegan Harbor Cleanup, additional cleanup is needed. She told the Congressman she would send him a letter that describes the steps we will follow in the superfund process. We can arrange a briefing for the Congressman if he has questions after reading this.

10/31: The letter was sent to the Congressman and copies faxed to Eric E. and Andria Hoffman.

Recorded By: Mary Canavan